



Armando Martinez
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BY CERTIFIED U.S. MAIL, RETURN RECEIPT REQUESTED

Compliance Assurance and Enforcement Division
Water Enforcement Branch (6EN-W)
U.S. Environmental Protection Agency, Region 6
1445 Ross Avenue
Dallas, TX 75202-2733

Program Manager
Surface Water Quality Bureau
New Mexico Environment Department
P.O. Box 5469
1190 Saint Francis Drive
Santa Fe, NM 87502-5469

RE: Chevron Mining, Inc. — Questa Mine; NPDES Permit No. NM0022306

To Whom It May Concern:

As discussed on July 28, 2016 with Brent Larson, there has been a potential for delay in the completion of the Water Treatment Plant (“WTP”) being constructed at the Questa Mine to terminate discharges to the tailings facility and to assure compliant discharges through Outfall 001. *See* Chevron Mining, Inc. — Questa Mine NPDES Permit No. NM0022306, Part I, Sections B (iii) and (iv) (the “Permit”). On July 13, 2016, the consultant managing the WTP project acknowledged that potential to Chevron Mining, Inc. (“CMI”) for the first time. One week later, on July 20, 2016, that consultant confirmed that the WTP would not be in operation by October 1, 2016.

CMI is working to develop a solid estimate for the date on which the WTP will be completed, treatment commenced, and a reasonable shakedown period concluded to assure full and consistent compliance with the effluent limitations for Outfall 001. That analysis is not yet complete. CMI will share that date with the agencies as soon as it is available.

In the interim, CMI also has begun working with the New Mexico Environmental Department to develop a framework for a short, 2 to 3 month, technical solution to the termination of discharges to the tailings facility. That solution would entail pumping the water back into the underground mine beginning before the October 1 milestone. Even if achievable, however, that solution may not provide relief sufficient to bridge the gap between October 1, 2016 and the date on which it is prudent to anticipate full and consistent compliance by the WTP.

CMI believes the best and most responsible path forward, in addition to continuing to work on this short-term solution, is to begin a discussion now to develop a vehicle for a brief extension of the October 1, 2016 milestone date. It is our intention to reach out to the appropriate personnel within EPA Region 6 and the State within the next two weeks to schedule a meeting for this purpose.

CMI notes that Part III, Section D (2) of the Permit requires advance notice to the Director of any planned changes in the permitted facility or activity which may result in noncompliance with permit requirements. While CMI does not believe that the circumstances described above trigger the Section D (2) notice requirement, we nonetheless submit this notification in the interest of full transparency and in satisfaction of that obligation, if applicable.

Sincerely,

I certify under penalty of law that this document and all attachments were prepared under my direction or supervision in accordance with a system designed to assure that qualified personnel properly gather and evaluate the information submitted. Based on my inquiry of the person or persons who manage the system, or those persons directly responsible for gathering the information, the information submitted is, to the best of my knowledge and belief, true, accurate, and complete. I am aware that there are significant penalties for submitting false information, including the possibility of fine and imprisonment for knowing violations.



Armando Martinez

Name

Environmental Manager

Title

8/1/16

Date